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TRAVEL PRINTOUT

U.S. Travel Data Center

Research News for the U.S. Travel Industry

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Summer Vacation Trips To Increase 4 Percent

Following a summer of decline, the U.S. Travel Data Center is forecasting a rebound in summer vacation travel in 1992. The Data Center is expecting a 4 percent increase in the volume of summer vacation person trips in 1992. This moderate increase translates into 326 million person-trips, up from 313 million person-trips a summer ago.

"The increase in volume is mainly due to an improving economy and the end of the Gulf War which depressed travel plans last spring," said Dr. Suzanne Cook, executive director of the Data Center.

The improving economy will play a large role in the rebound of 1992 summer vacation travel. Following months of economic downturn, the first quarter of 1992 posted a 1.4 percent increase in the nation's gross domestic product compared to the first quarter of 1991. While this is not as robust a rate of growth as experienced coming out of previous recessions, it is the best rate of growth since the first quarter of 1989. Contributing to the gain was a 5.3 percent rise in retail sales, reflecting particular strength in the purchase of consumer durable goods, which rose more than 10 percent in the first quarter of 1992 over the same period of 1991.

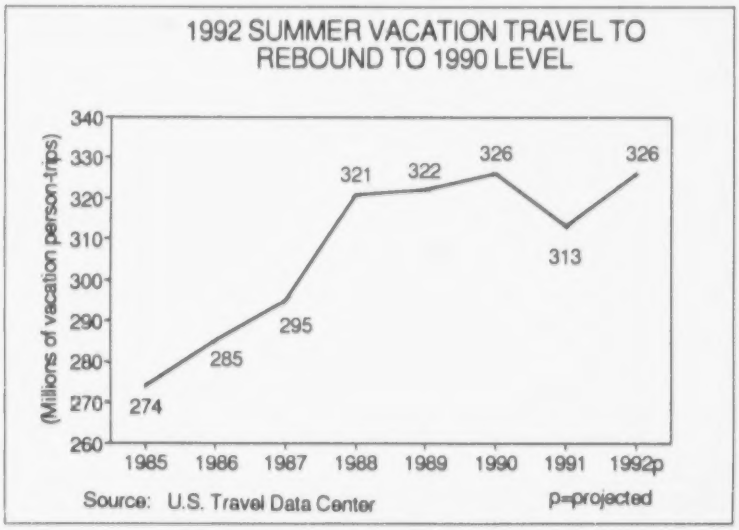
Additionally, other economic indicators provide optimistic information about this summer. Inflation remains under control, personal income is on the rise and there has been a reduction in consumer debt burdens.

Whether consumers do or do not spend money on travel will depend significantly on their perceived confidence in the economy. While the Conference Board's Consumer Confidence Index (CCI) remains below last year's levels, there are signs of renewed consumer confidence in the economy. Since declining in February, the CCI has climbed more than 24 points in the last three months, including a 6.5 point rise in May. This increase indicates a willingness of consumers to spend more money and is an important indicator of future travel industry performance.

In researching the 1992 summer forecast, the Data Center uncovered many significant summer vacation travel trends. For instance, over the past several summers, vacations have been shorter in duration. In the 1992 summer, over 50 percent of travelers will be taking a vacation of three nights or less.

For the third consecutive year, oceans and beaches are expected to be the top destination for 1992 summer vacation travelers. Last summer, plans to take vacations to cities dropped by 7 percentage points from 20 percent to 13 percent. In the 1992 summer, cities are forecasted to gain back a portion of their popularity as 18 percent of summer vacationers are expecting to visit cities.

Despite an optimistic economic future, many 1992 summer travelers are not expecting to change their spending habits from last year. "Travelers this summer will be cautiously optimistic about the economy," said Cook. "We expect them to travel more, but they are likely to remain conservative about the money they are spending."



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INSIDE

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The U.S. Travel Data Center is an affiliate of the Travel Industry Association of America

Travel Costs Drop For First Time In 5 Months

For the first time in five months, the cost of travel in the United States decreased. According to the Data Center's latest Travel Price Index (TPI), the 0.4 percent decline in April travel costs were mainly attributed to a decrease in the cost of lodging, which dropped just over 2 percent.

April's downward slide marks the first time travel expenses have declined since November 1991. More importantly, the decrease may boost the summer vacation season. Overall, the TPI rose 3.2 percent over the same period last year.

TPI, which measures seasonally unadjusted changes in the cost of travel in the United States, decreased to 148.6 (1982-84 = 100) during April. The TPI indicates price changes in travel goods and services available to the consumer in the United States and does not necessarily represent changes in average fares, rates and other costs that travelers actually paid.

The U.S. Travel Data Center releases the Travel Price Index in the last week of every month. For more information on the index contact Joseph P. Horak (202) 293-1040.

TRAVEL PRICE INDEX AND COMPONENTS

APRIL 1992	MONTHLY % CHANGE MARCH 1992 TO APRIL 1992	ANNUAL % CHANGE APRIL 1992 TO APRIL 1991
TPI COMPONENTS		
TRANSPORTATION	1.4	2.2
Airline Fares	1.2	5.0
Intracity Public Trans.	0.0	6.2
Other Intracity Trans.	0.4	4.9
Motor Fuel	1.7	-1.4
LODGING	-2.1	4.8
FOOD AND BEVERAGES AWAY FROM HOME	0.1	2.3
ENTERTAINMENT	0.6	4.4
TRAVEL PRICE INDEX	-0.4	3.2
CONS. PRICE INDEX	0.1	3.2

(SOURCE: U.S. TRAVEL DATA CENTER)

Cook Addresses POW WOW On Summer Travel

Citing an improved economy and international political stability, Data Center's executive director Dr. Suzanne Cook told a gathering of over 150 reporters that summer vacation travel would rise this summer by 4 percent.

In addition, Cook praised the efforts of POW WOW for fostering a productive atmosphere for the travel industry.

"We are encouraged that the renewed strength concerning the intentions of Americans to travel, combined with the opportunities made available through POW WOW to many American travel suppliers to sell travel to international visitors, will bouy a travel industry hard hit last year," Cook said in her remarks.

In addition to praising POW WOW, Cook also spoke about the globalization of the travel industry.

"As the world continues to adjust to many significant events - the end of the Cold War, the opening of Eastern Europe, gradual improvement in the economy in key tourism-generating countries and rapid globalization of business, we find ourselves in interesting times," said Cook. "We believe there will be high growth in the international tourism market. POW WOW, of course, has contributed significantly to this growth in international travel for more than 20 years and will continue to do so in the future."

In her remarks, Cook also reviewed the Data Center's forecast for summer vacation travel. The Data Center is expecting auto travel to increase 4 percent to 268 million person-trips. The recent cut in airfares might also induce more people to take to a vacation this summer.

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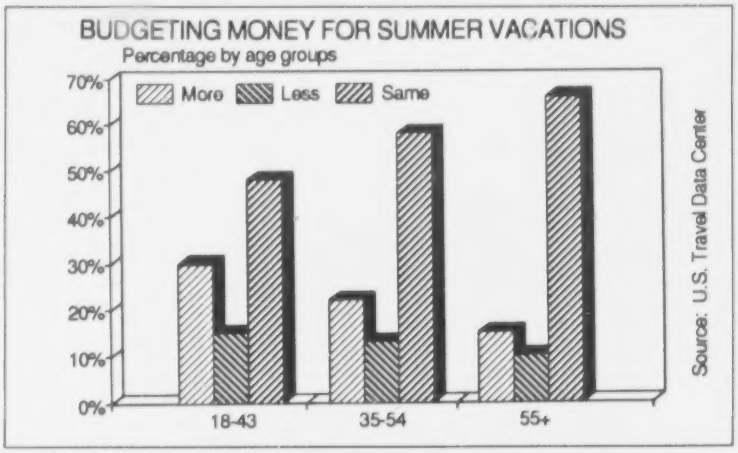
One indication of this conservative spending posture is the growing popularity of national parks and camping. For the fourth consecutive year, the National Park Service is expecting more than a 3 percent increase in the volume of visitors to their sites this year. In addition, an American Automobile Association survey of club members showed that three of the top destinations for 1992 summer travel were national parks.

This conservative spending pattern has permeated other areas of the travel industry. The U.S. airlines are discounting rates this summer in hopes of attracting new travelers and hotel/motel operators are providing extensive discounts on rates during the summer. Additional discounts can also be found in many other sectors, including car rental, entertainment and attractions.

A wide majority of 1992 summer travelers will be using cars, trucks or RVs as over 80 percent of summer travelers will climb behind the wheel. The Data Center is expecting summer travelers to take 268 million person-trips by car, truck or RV. This number is up 4 percent over the summer of 1991.

There are indications that airline travel may be on the rebound from a weak 1991. Both domestic and international revenue passenger-miles are up for the year-to-date through March 1991. Recent fare reductions may also help the industry, at least in terms of passenger volume. Domestic revenue passenger-miles are up slightly, but international revenue passenger miles on U.S. carriers have sky-rocketed 38 percent. It is important to note that this increase in international traffic reflects a comparison to last year when the Gulf War depressed the international market.



The U.S. hotel/motel industry is also expecting to see a recovery from last summer, at least in terms of room demand. Cost reductions in airfares will also be a stimulant for the hotel/motel industry. Smith Travel Research, however, projects that room rates will remain flat throughout the summer. The Data Center predicts that 44 percent of all vacationers will use hotel/motels this summer.

Inbound and outbound international travelers will also be important contributors to the expected success of the 1992 summer vacation season. Inbound international travel is one of the fastest growing segments of business for the U.S. travel industry. According to the U.S. Travel and Tourism Administration (USTTA), international visitor arrivals in the U.S rose 8 percent in 1991 and they expect another 6.5 increase in 1992.

In 1992, the USTTA also anticipates a resurgence in travel to areas overseas, especially Europe. The volume of travel to Europe should match the record-setting 1990 summer season. The Summer Olympics in Barcelona and the World Expo in Seville will be two major drawing cards for European travel.

DISCOVERIES.....

USTTA To Publish 1991 International Survey

As more and more international travelers choose the United States as their travel destination, specific information about these travelers becomes vital. Later this month, the United States Travel and Tourism Administration (USTTA) will publish its **1991 In-Flight Survey of International Air Travelers: Overseas Travelers to the United States.** Use this publication to determine demographic profiles, countries of origin, use of pre-paid packages, types of accommodations, transportation used and much more.

The publication costs $200 and may be ordered by calling the Data Center at (202) 293-1040.

"Discoveries" is a travel Printout feature designed to give added exposure to all types of travel-related research. To submit your company's travel research projects, send a brief description of the report including the price, address, and contact name to Joseph Horak, U.S. Travel Data Center, 1133 21st St., N.W. Washington, D.C. 20036.

U.S. Travel Data Center

CURRENT TRAVEL INDICATORS 1991 - 1992

	MONTH	VALUE	UNITS	PERCENT CHANGE MONTH / YR. AGO / YR. TO DATE		
Establishment Receipts or Retail Sales						
Hotels, Motels, Other Lodging (1)	MAR	$5,849	millions	1.4	6.0	6.8
Eating and Drinking Places (2)	APR	$16,142	millions	-0.5	4.1	3.0
Gasoline Service Stations (2)	APR	$10,222	millions	2.2	-1.5	-8.3
Consumer Lodging Demand						
Hotels/Motels Occupancy Rates (3)	MAR	60.6	percent	-1.8	1.3	2.1
Real Demand For Commercial Lodging (4)	MAR	67.2	millions	5.9	4.8	5.7
Airline Passenger Traffic (5)						
Domestic Revenue Passenger Miles	APR	25.9	billions	-6.0	-4.8	-1.0
Int'l Revenue Passenger Miles	APR	9.5	billions	-6.3	23.0	34.1
Highway Traffic Volume (6)						
Rural Arterial Vehicle Miles	MAR	44,903	millions	17.6	3.1	5.1
Rail Passenger Traffic (7)						
Amtrak Passenger Miles	MAR	533.6	millions	21.8	-5.3	-2.7
Travel Price Index (8)						
(1982-1984 = 100)	APR	148.6		-0.4	3.2	2.0
Visitor Vol. at National Park Service Area (11)						
Recreational Visits	MAR	15.1	millions	29.0	3.7	6.1
Overnight Stays	N/A					
Foreign Arrivals to the United States						
From Overseas (12)	DEC	1,448,595		18.8	9.0	7.3
From Canada (13)	MAR	1,693,804		54.6	1.9	7.6
From Mexico (12)	DEC	158,216		58.0	9.9	7.6
U.S. Citizen Departures						
To Overseas (12)	DEC (90)	1,262,000		18.0	3.6	8.0
To Canada (13)	MAR	525,918		5.6	-11.4	0.9
Domestic Demand For Motor Gasoline (14)						
Barrels Per Day	MAR	7,096	thousands	1.3	0.7	2.4

SOURCES: (1) Smith Travel Research, seasonally adjusted. (2) Bureau of Census, preliminary, revised monthly. (3) Smith Travel Research, seasonally adjusted, 1986 and 1987 data has been revised. (4) Smith Travel Research, unadjusted room nights sold. (5) Air Transportation Association, preliminary, U.S. scheduled service air carriers. (6) Federal Highway Administration, preliminary revised monthly. (7) National Railroad Passenger Corporation (Amtrak). (8) U.S. Travel Data Center and Bureau of Labor Statistics. (9) U.S. Travel Data Center. (10) U.S. Travel Data Center, data is not comparable to earlier published numbers due to revised methodology. (11) National Parks Service, preliminary, unadjusted for differences in reporting units. (12) U.S. Travel and Tourism Administration, Mexican data reflect I-94 arrivals only. (13) Statistics Canada. (14) U.S. Department of Energy, prelim.

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